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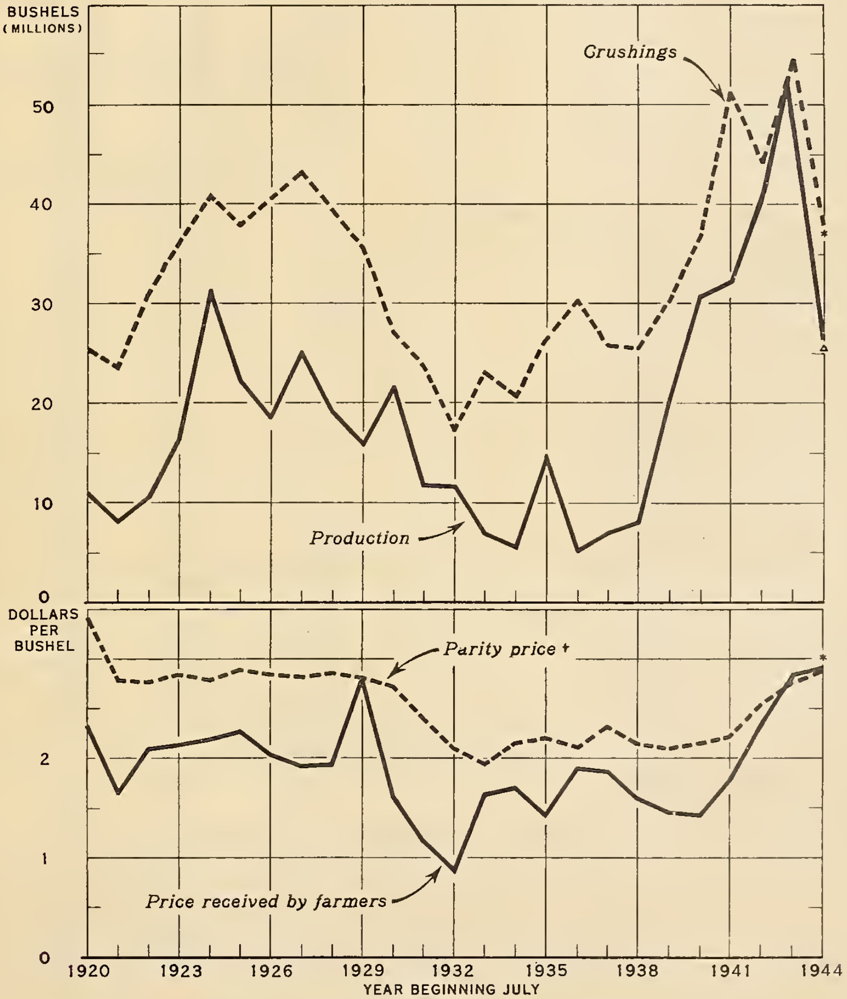
THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FOS-90 AUGUST 1944

FLAXSEED: PRODUCTION, CRUSHINGS, AND PRICE, UNITED STATES, 1920-44



* FORECAST △ PRODUCTION INDICATED AUGUST 1
+ ANNUAL PARITY PRICE, 1920-22; OTHER YEARS, PARITY PRICE ON JUNE 15

U. S. DEPARTMENT OF AGRICULTURE NEG. 38617 BUREAU OF AGRICULTURAL ECONOMICS

Production of flaxseed in 1944 will be only about half as large as the bumper crop last year.. There was a large shift of acreage this year from flaxseed to wheat and oats, largely because of a less favorable price than last year for flaxseed in comparison with wheat or oats. With the ceiling price for flaxseed at Minneapolis recently raised from $3.05 per bushel to $3.10 per bushel, prices received by farmers in 1944-45 probably will average a few cents higher than a year earlier, when the average price at the farm level was $2.84 per bushel.

Table 1.- Wholesale prices per pound of fats and oils at specified markets, and index numbers of prices, July 1942 and 1943, May-July 1944

PRICES

Item	July		1944		
	1942	1943	May	June	July
	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	1/37.6	41.8	41.5	41.5	41.5
Butter, 92-score, New York	1/38.2	42.5	42.2	42.2	42.2
Oleomargarine, dom. veg., Chicago	19.0	19.0	19.0	19.0	19.0
Compounds (animal and veg. cooking fats), Chicago	17.0	17.0	17.0	17.0	17.0
Lard, loose, Chicago	11.9	12.8	12.2	11.9	11.5
Lard, prime steam, tierces, Chicago	12.8	13.8	13.2	13.0	13.0
Lard, refined, cartons, Chicago	14.5	15.6	15.6	15.6	15.6
Oleo oil, No. 1, barrels, New York	13.2	13.8	13.8	13.8	13.8
Oleostearine, bbl., N. Y.	10.5	10.5	10.5	10.5	10.5
Tallow, edible, Chicago	9.9	9.9	9.9	9.9	9.9
Corn oil, crude, tanks, f.o.b. mills	12.7	12.8	12.8	12.8	12.8
Corn oil, refined, bbl., N. Y.	15.5	15.5	---	---	---
Cottonseed oil, crude, tanks, f.o.b. S.E. mills	12.8	12.8	12.8	12.8	12.8
Cottonseed oil, p.s.y., tank cars, N. Y.	14.0	14.0	14.3	14.3	14.3
Peanut oil, crude, tanks, f.o.b. mills	12.9	13.0	13.0	13.0	13.0
Peanut oil, refined, edible (white), drums, N. Y.	16.6	16.3	16.3	16.4	16.5
Soybean oil, crude, tank cars, midwestern mills	11.2	11.8	11.8	11.8	11.8
Soybean oil, edible, drums, l.c.l., N. Y.	14.6	15.0	15.0	15.1	15.2
Coconut oil, Manila, crude, tanks, f.o.b. Pacific Coast 2/	10.8	11.0	11.0	11.0	11.0
Coconut oil, Manila, crude, bulk, c.i.f. N. Y. 2/	11.4	11.4	11.4	11.4	11.4
Coconut oil, Manila, refined, edible, tank cars, f.o.b. N.Y. 2/ 3/	12.8	12.8	12.8	12.8	12.8
Olive oil, California, edible, drums, N. Y.	58.4	62.7	60.7	60.7	60.7
Palm oil, Niger, crude drums, N. Y. 2/	4/11.8	4/11.6	11.6	11.6	11.6
Rape oil, refined, denatured, bulk, c.i.f., N. Y.	3/15.8	16.0	16.0	16.0	16.0
Sunflower oil, semi-refined, tank cars, f.o.b. N. Y.	14.3	14.3	14.3	14.3	14.3
Tallow, No. 1, inedible, Chicago	8.4	8.4	8.4	8.4	8.4
Grease, A. White, Chicago	9.0	8.8	8.8	8.8	8.8
Menhaden oil, crude, tanks, f.o.b. Baltimore	8.9	8.9	8.9	8.9	8.7
Sardine oil, crude, tanks, Pacific Coast	8.9	8.9	8.9	8.9	8.9
Whale oil, refined, bleached winter, drums, N. Y.	11.1	12.3	12.3	12.3	12.3
Linseed oil, raw, tank cars, Minneapolis	12.6	14.4	14.3	14.3	14.3
Linseed oil, raw, drums, carlots, N. Y.	5/13.3	15.3	15.1	15.1	15.1
Oiticica oil, tank cars, f.o.b. N. Y.	25.0	25.0	20.6	19.2	19.0
Tung oil, drums, N. Y.	39.6	39.0	39.0	39.0	39.0
Castor oil, No. 3 bbl., N. Y.	13.8	13.8	13.8	13.8	13.8
Castor oil, No. 1, tanks, N. Y.	13.0	13.0	13.0	13.0	13.0
Castor oil, dehydrated, tanks, N. Y.	17.6	17.7	17.7	17.7	17.7
Cod-liver oil, med. U.S.P. bbl., N. Y.	36.4	36.5	36.5	34.5	31.6
Cod oil, Newfoundland, drums, N. Y.	12.0	12.0	11.7	11.7	11.7

INDEX NUMBERS (1924-29 = 100)

Item	1942	1943	May	June	July
Eight domestic fats and oils (1910-14 = 100)	133	142	141	141	141
Eight domestic fats and oils	94	101	100	100	100
All fats and oils (27 items)	101	108	107	107	107
Grouped by origin:					
Animal fats	89	96	95	95	95
Marine animal oils	127	132	132	132	131
Vegetable oils, domestic	129	132	134	134	134
Vegetable oils, foreign	148	157	156	156	156
Grouped by use:					
Butter	86	93	93	93	93
Butter, seasonally adjusted	92	101	102	102	101
Lard	97	105	101	99	99
Other food fats	136	139	141	141	141
All food fats	96	103	103	102	102
Soap fats	120	120	120	120	120
Drying oils	136	150	149	149	149
Miscellaneous oils	116	117	116	116	116
All industrial fats and oils	126	132	131	131	131

Prices compiled from Oil, Paint and Drug Reporter, The National Provisioner, The Journal of Commerce (New York), and reports of the War Food Administration and Bureau of Labor Statistics. Prices quoted include excise taxes and duties where applicable. Index numbers for earlier years beginning 1910 are given in Technical Bulletin No. 737 (1940) and The Fats and Oils Situation beginning December 1940.

1/ Reflects open market sales only. Current figures refer to all types of wholesale trading for cash or short-time credit. 2/ Three-cent processing tax added to price as originally quoted. 3/ Quoted in drums. 4/ Revised. 5/ Converted to present basis of quotation.

THE FATS AND OILS SITUATION

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Summary

Total supplies of fats and oils in 1944-45 may be 700 to 800 million pounds less than in 1943-44. Factory and warehouse stocks of primary fats and oils on July 1 totaled 2,710 million pounds (crude basis), about 700 million pounds more than a year earlier. Most of this increase over a year earlier will be carried forward to the beginning of the new crop year on October 1. Production from domestic materials, however, is expected to be reduced from the 1943-44 level of 11.3 billion pounds to around 10 billion pounds, and no major increase in imports is indicated.

Demand for fats and oils in 1944-45 is expected to continue strong. However, if hostilities in Europe should end during this period, temporary market uncertainty might ensue.

The prospective reduction of over a billion pounds in output of lard and rendered pork fat in 1944-45 will mean somewhat less lard for domestic consumption than in 1943-44 if scheduled export needs are met. However, with very large stocks accumulated in the first half of 1944, a stringency in supplies is not likely to develop until well into 1945. Inventories of lard and rendered pork fat on July 1, 1944, as reported by the Bureau of the Census, totaled 685 million pounds, largest on record.

Soybean processing capacity in the North Central States and Kentucky in 1944-45 is expected to exceed the probable supply of soybeans available in that area for crushing. In the two previous seasons it was necessary to ship substantial quantities of soybeans out of the North Central States for processing. But the addition in 1944 of new capacity and an indicated reduction of around 17 million bushels in production have resulted in surplus capacity for the coming season.

-- August 23, 1944

RECENT DEVELOPMENTS

BACKGROUND.- Output of fats and oils from domestic materials in the present crop year (1943-44) probably will total about 11.3 billion pounds. This is about 600 million pounds (6 percent) more than output in 1942-43 and 4.1 billion pounds (about 55 percent) more than the 1935-39 average. Output in the 1944-45 crop year, however, may decline to approximately 10 billion pounds, largely as a result of a reduction of 25 to 30 percent in the 1944 pig crop and indicated declines in flaxseed, soybean, and cottonseed production.

Production of Fats and Oils Large in April-June; Stocks Up Contraseasonally

Production of fats and oils declined seasonally in the April-June quarter but continued at a high level in relation to earlier years (table 4). Factory production of primary fats and oils in that quarter totaled 2,524 million pounds, 10 percent less than in January-March and 7 percent less than in October-December 1943, but 8 percent more than in April-June 1943. The high rate of production was chiefly due to the large slaughter of hogs. Output of lard and rendered pork fat, at 695 million pounds, was 38 percent larger than a year earlier, and factory production of greases, at 175 million pounds, was up 25 percent. With cattle slaughter also at a high level, factory production of inedible and edible tallows, including oleostearine and oleo oil, totaled 305 million pounds, 14 percent more than a year earlier. Creamery butter output, at 480 million pounds, showed a seasonal increase, but was 11 percent less than in April-June 1943.

Factory and warehouse stocks of fats and oils on June 30, including stocks of lard and rendered pork fat outside cold storage, totaled 2,710 million pounds (crude basis), 50 million pounds more than on March 31. This increase was contrary to the usual seasonal trend and compares with a decline of 59 million pounds during the corresponding months last year. The difference between this year and last in change in stocks during the April-June quarter is largely accounted for by the high rate of production of lard, grease, tallow, and linseed oil this year, and by a reduced disappearance of domestic edible vegetable oils mainly as a result of a falling off in exports during that period.

The June factory output of fats and oils, 840 million pounds, was 25 million pounds less than in May. Decreases in production of cottonseed oil, soybean oil, and inedible tallow and greases were only partly offset by an increase in linseed oil output. Factory and warehouse stocks rose 28 million pounds during June, with moderate increases in inventories of butter, lard and rendered pork fat, linseed oil, and inedible tallow and greases more than offsetting a substantial seasonal decline in cottonseed oil stocks.

Large Quantities of Lard Held Outside Usual Types of Cold-Storage Space

Monthly data published by the Bureau of the Census on total factory and warehouse stocks of lard and rendered pork fat, January 1, 1943, to July 1, 1944, are shown in table 2 with comparable data published by the War Food Administration on cold-storage stocks. The Department of Commerce data are based on reports from producers, processors, and users of fats and oils as well as from warehouses and include inventories outside cold storage. The figures published by the War Food Administration are based on reports from cold-storage warehouses where lard is normally held.

With lard production at a record high level from November 1943 to June 1944, storage facilities for lard became overcrowded and substantial quantities were stored in unusual places. Some lard was placed in unusual types of cold storage, such as apple warehouses, and in outside tanks. Large inventories of lard were accumulated by soap manufacturers and were reported to the Bureau of the Census but were not included in cold-storage reports. A large quantity of lard with a preservative added was placed in drums in ordinary dry storage. The differences between reported total stocks and reported cold-storage stocks in the months from December 1943 to March 1944 probably represent lard outside cold storage. Reported total stocks from April 1 to date are believed to represent a nearly complete physical count of all factory and warehouse stocks in the country. War Food Administration inventories in transit to warehouses or ports are not included.

The third column of table 2 indicates commercial stocks of lard on the first of each month since 1943, as estimated by the War Food Administration. Stocks owned by War Food Administration and by soap manufacturers are excluded.

Table 2.- Lard and rendered pork fat: Stocks beginning of month, January 1943-August 1944

Date	Cold-storage stocks, War Food Administration	Factory and warehouse stocks, Bureau of the Census	Estimated commercial stocks, War Food Administration
	1,000 pounds	1,000 pounds	1,000 pounds
1943			
January 1	91,333	100,911	
February 1	111,867	112,008	
March 1	122,240	124,598	
April 1	128,264	127,385	
May 1	149,141	157,965	
June 1	166,129	166,727	
July 1	220,831	228,116	
August 1	240,950	238,450	
September 1	260,009	263,273	
October 1	195,351	194,240	
November 1	157,163	167,471	
December 1	130,984	160,337	
1944			
January 1	161,791	200,203	128,000
February 1	248,038	267,580	156,000
March 1	361,508	395,696	200,000
April 1	432,339	539,968	173,000
May 1	498,235	604,036	149,000
June 1	490,281	654,625	184,000
July 1	420,301	684,600	149,000
August 1	345,705		

Government Purchases of Fats and Oils Reduced in July

July purchases of fats, oils, and soap by the War Food Administration totaled 134 million pounds (in terms of fat content) compared with 175 million pounds in June and 226 million pounds in May. The principal items purchased in July were 59 million pounds of soybean oil, 32 million pounds of lard and rendered pork fat, 36 million pounds of soap (equivalent to an estimated 20 million pounds of fat), and 17 million pounds of linseed oil. Purchases of lard in the first 3 weeks of August were very small.

Table 3.- Purchases of fats and oils by the War Food Administration, 1942-44

Item	1942	1943	1944 June	1944 July	1944 Jan.-July
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Butter	34	120	4	4	97
Lard and rendered pork fat	654	882	85	32	742
Other animal fats and oils 1/	30	61	2/	1	2
Linseed oil	70	391	86	17	171
Soybean oil	17	22	---	4/59	74
Other vegetable oils	82	49	2/	---	1
Shortening	46	62	---	---	3
Margarine (fat content) 3/	77	72	---	1	56
Soap (fat content) 3/	16	23	2/	20	24
Total fat equivalent	1,026	1,682	175	134	1,170

Compiled from reports of the War Food Administration.

1/ Includes fish-liver and fish oils. 2/ Less than 500,000 pounds.

3/ Fat content estimated at 80 percent for margarine; 55 percent for soap.

4/ Includes 20 million pounds made available by the Commodity Credit Corporation.

Lard Prices Rise in Late July; Other Fats and Oils Mostly Unchanged

Prices of prime steam lard, tank car lots, Chicago, declined slightly in mid-July to 11.375 cents per pound compared with 11.5 cents earlier in the month and the ceiling price of 12.8 cents per pound. However, reflecting a materially reduced hog slaughter in July prices rose in the latter part of the month and continued to increase in early August. On August 11 the bid price was 12.3 cents per pound. Prices of poorer qualities of grease also rose in early August, and prices of all grades of grease are now at ceilings.

Since mid-July, a range of prices from 8.25 to 8.90 cents per pound has been quoted for crude menhaden oil, tanks, Baltimore. Previously, the price quotation was the ceiling of 8.90 cents per pound. The price of oiticica oil (liquid) in drums, New York, increased in the latter part of July from about 20.1 cents to about 20.8 cents per pound. With prices for other fats and oils mostly unchanged at or near ceilings, the index number of 27 major fats and oils in July remained at 107 percent of the 1924-29 average compared with 108 percent a year earlier.

RECENT GOVERNMENT ACTIONS

Ceiling Price for Flaxseed Increased at Northwestern Markets

The maximum price for flaxseed at Minneapolis and other Northwestern terminal basing points was increased on August 14 to $3.10 per bushel, 5 cents over the former ceiling. This action was taken in Amendment 5 to Maximum

Price Regulation 397. The other basing points affected were Duluth and Red Wing, Minnesota; Milwaukee, Wisconsin; Chicago, Illinois; and Portland, Oregon. Maximum prices at basing points in Kansas, Texas, and California were not changed. These maximums had enabled some mills to bid successfully for flaxseed beyond their normal areas of supply. Prices at Minneapolis increased on August 14 to the full extent permitted by the new ceiling.

Reason for the higher ceiling price was the increase in the parity price for flaxseed from $2.75 per bushel on June 15, 1943, to $2.87 per bushel on June 15, 1944. The United States average price received by farmers for flaxseed on June 15, 1944, was $2.85 per bushel. The season average price in 1943-44 was $2.83 per bushel. The bulk of the flaxseed grown in the United States is in the Northwestern area and will be sold in the markets where the ceiling prices were raised.

Support Prices Announced for Tung Nuts and Oil

In late July Commodity Credit Corporation announced an offer to buy 1944-crop tung oil at 36 cents per pound, f.o.b. mill, from crushers who pay growers not less than $100 per ton for tung nuts, basis 19.5 percent oil content. In the preceding two seasons CCC bought the entire domestic output of tung oil, but this year crushers may sell direct to the trade, with the option of selling also to CCC in accordance with the terms of the offer just announced. The average price received by farmers for 1943-crop of tung nuts was about $96 per ton.

Specific Price Ceiling Established for Specialty Lard

Amendment 31 to Maximum Price Regulation 53, effective August 14, established maximum prices for specialty lard at a level 0.4 cent per pound above the ceilings for standard commercial refined lard. Specialty lard is bleached and deodorized lard that may contain an anti-oxidant to improve keeping quality.

OUTLOOK

Supply of Fats and Oils to be Reduced in 1944-45

Total factory and warehouse stocks of primary fats and oils on June 30, at 2,710 million pounds, were 719 million pounds larger than a year earlier and were the largest on records. These inventories will decline seasonally during the July-September quarter. With a material reduction expected in the 1944-45 output of fats and oils from domestic materials, and no important increase anticipated in imports, the total supply of fats and oils in 1944-45 may be 700 to 800 million pounds less than in 1943-44.

Total demand for fats and oils in 1944-45 probably will continue at a high level. An end of hostilities in Europe in 1944-45, however, probably would be followed by a temporary period of uncertainty in commodity markets. Stocks now held in various parts of the world as a safeguard against wartime contingencies might be reduced to levels closer to those normal in peacetime. Under this condition demand in wholesale markets might fall temporarily below the level of actual demand by consumers and exporters.

Prices of cottonseed, peanut, soybean, linseed, and tung oils will be supported near ceiling levels throughout the 1944-45 season in accordance with contracts and other arrangements between Commodity Credit Corporation and oilseed processors. Supplies of the major imported oils in 1944-45 are expected to remain insufficient to meet demand at ceiling prices. Hence, vegetable oil prices probably will be at or near ceiling levels throughout 1944-45 regardles of the course of the war.

Output of Cottonseed and Soybean Oils May Decline Somewhat in 1944-45

Despite a 7-percent reduction this year in cotton acreage, production of cottonseed may be 4,572,000 tons, only 2 percent less than last year. The indicated yield of cottonseed per acre, on the basis of August 1 reports, is 264 pounds, 5 percent higher than last year.

The 1944 crop of soybeans is forecast at about 179 million bushels, 17 million bushels (9 percent) less than last year. This forecast is made on the basis of crop conditions August 1 and the acreage farmers intended on August 1 to harvest for beans. The indicated yield per acre this year is 16.5 bushels, down 9 percent from last year and under the 1933-42 average by 4 percent.

The forecast for 1944 production of peanuts picked and threshed is 2,332 million pounds, compared with a crop of 2,200 million pounds in 1943. Higher yields per acre than last year are indicated in all States except Alabama, Florida, Tennessee, and Louisiana. On the basis of August 1 conditions, the indicated per-acre yield for the United States is 679 pounds, 11 percent higher than last year.

If production of cottonseed and soybeans turns out about as now indicated, the combined output of cottonseed and soybean oils in 1944-45 may be about 90 million pounds less than in 1943-44. Production of peanut oil in 1944-45 may not be much if any greater than in 1943-44, as the demand of the edible peanut trade for farmers' stock peanuts seems likely to continue strong.

Civilian Butter Supply to Decline; Use of Margarine Will Increase

With butter production at its seasonal peak in the April-June quarter, supplies available for civilian consumption were relatively plentiful. Disappearance for civilian consumption is estimated to have been 3.1 pounds per capita compared with 3.2 pounds in January-March this year, the peak since 1942. Butter production declines seasonally from June to November, and this will be reflected in declining supplies for civilian consumption.

The output of butter in January-June this year was less than in the corresponding period a year earlier, but this reduction was not reflected in civilian supplies, because a smaller percentage of the output was purchased by Government agencies than in the corresponding period of 1943. In the last half of 1944, however, the percentage of output purchased by the Government will not be greatly different from that a year earlier. Supplies of butter for civilians are expected to be about 4 percent smaller than in the last half of 1943 and the smallest for July-December in over 50 years.

Disappearance of margarine for civilian consumption was seasonally low in the April-June quarter, amounting to 0.7 pound per capita compared with 1 pound per capita in January-March. In the current quarter (July-September), civilian disappearance of margarine will increase, and a further increase is expected in October-December, when butter supplies will be at a low level.

Lard Stocks Large; Prospective Requirements for Lard Also Large

Hog slaughter and lard production in federally inspected plants in July and early August were materially reduced from the level that had been maintained since October last year. This reduction marks the end of the record run of hogs from the unprecedentedly large 1943 pig crop and a return of lard output to more nearly normal levels. Output of lard and rendered pork fat in the 12 months beginning October 1944 is expected to be about 2.5 billion pounds, 30 percent under the total of 3,550 million pounds indicated for the present season, 1943-44.

If prospective export requirements for lard are met, the supply situation in lard will become tight before the beginning of the new hog-marketing year in October 1945. However, the very large stocks of lard built up in the first 6 months of 1944 probably will delay the critical period until well into 1945.

SOYBEAN PROCESSING CAPACITY IN THE NORTH CENTRAL STATES, 1944-45

Surplus Soybean Processing Capacity Expected in 1944-45

Soybean processing plants in the North Central States and Kentucky [1] will be equipped to handle a moderately larger quantity of soybeans in 1944-45 than is indicated to be available from the new crop. An increase in capacity has come as a response to a rapid expansion since 1941 in soybean production. The 1941 soybean crop in the North Central States and Kentucky, harvested just before the United States entered the war, totaled 99 million bushels. The following year this production rose to 171 million bushels, and in 1943 to 184 million bushels. Preliminary forecasts indicate, however, that the 1944 soybean crop in the seven leading States of the North Central area will be about 9 percent less than last year.

In 1942, steel and other metals were so urgently needed for purposes directly connected with the war effort that little could be spared for manufacture of new soybean processing equipment. A slight increase in the capacity of existing equipment was achieved in 1942 through minor improvements requiring little or no new metal. But capacity in the North Central States and Kentucky in 1942-43 still fell short of the quantity of soybeans available for crushing. The surplus of soybeans was shipped partly to Atlantic and Pacific Coast mills that normally handle copra or flaxseed, but mostly to cottonseed mills in the Southern States, which have a large unused capacity each year. Movement of soybeans to Southern States is uneconomic in most cases, however, because a part of the oil produced must be shipped back north. Excess freight and handling charges incurred in connection with the unusual movement of soybeans in 1942-43 and in the following season were largely absorbed by Commodity Credit Corporation.

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[1] Soybean processing capacity in Kentucky is combined here with that in the North Central States because it is used mostly to process mid-Western soybeans. Located mainly at Ohio River points, Kentucky mills are strategically placed in connection with the movement of soybeans and soybean products to Eastern markets.

With a better supply situation in metals in 1943, some new processing equipment was authorized, but capacity in 1943-44 in the North Central States and Kentucky was still under the supply of soybeans for crushing. A further improvement in steel supplies in 1944 made it possible to authorize new soybean processing installations. This increased capacity, in conjunction with a reduced crop, will result in a surplus crushing capacity in 1944-45 in the North Central States and Kentucky.

Solvent Process Continues to Gain in Importance

In the years immediately before the war, there was a pronounced trend in the soybean processing industry toward use of the solvent process. Around 22 percent of total soybean processing capacity in 1941 was provided by solvent-process mills. The trend toward solvent equipment has been continued in the war years. The annual capacity of solvent-process equipment authorized in 1943 and the first half of 1944 was about 41 percent of the capacity of all equipment authorized.

With solvent extraction, the yield of oil is around 11 pounds per bushel of soybeans processed, compared with about 9 pounds from screw presses the most widely used type of soybean processing equipment. As oil usually is priced five or six times as high per pound as meal (bulk f.o.b. mills), the sales value of the oil and meal produced from a bushel of soybeans is 9 to 10 percent greater when solvent extraction is used than when screw presses are employed. At present prices of oil and meal, the advantage of the solvent process would be about 19 cents per bushel of soybeans processed; at average prices in 1937-41, this advantage would amount to about 11 cents.

Numerous Small Country Plants Installed During the War

A considerable decentralization of the soybean processing industry has occurred during the war. Before the war, soybean mills were located chiefly in a few Midwestern cities, with the greatest concentration of capacity in Decatur, Illinois. Since 1942, however, a large number of small local plants have been installed or will be installed. These include plants with 1 or 2 expellers each and a combined capacity estimated at about 20 million bushels annually, equivalent to about 34 percent of the total capacity of all equipment installed or authorized during the war. Most of these small new plants have been installed in connection with local feed mills or country elevators.

Table 4.- Factory production of fats and oils, specified periods, and indicated crop-year production from domestic materials, 1940-43

Item	June 1944	1944 May	1944 June	Apr.-June 1942	Apr.-June 1943	Apr.-June 1944
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Animal fats and oils						
Creamery butter	201.0	171.5	177.6	550.3	536.6	479.7
Inspected lard and rendered pork fat	191.0	240.8	231.9	413.0	501.6	694.5
Greases excluding wool grease	48.4	61.9	57.5	137.1	139.8	175.1
Neat's-foot oil	.2	.3	.1	1.5	1.0	.6
Oleo oil	6.7	6.1	4.3	27.3	20.9	16.2
Stearine, animal, edible	2.7	3.4	2.5	15.0	9.4	9.0
Tallow, edible	9.8	10.1	6.9	27.0	37.8	26.4
Tallow, inedible	66.1	88.5	80.9	224.4	200.8	253.8
Wool grease	1.5	1.4	1.6	4.1	4.0	4.5
Fish-liver oil	.9	1.0	.9	1.6	2.2	2.4
Fish oil	11.8	.6	12.0	7.9	14.2	12.8
Total, animal	540.1	585.6	576.2	1,409.2	1,458.3	1,675.0
Vegetable oils, crude basis						
Castor oil	11.3	13.5	13.3	48.3	29.2	39.7
Coconut oil	9.1	13.5	17.7	17.7	38.7	40.6
Corn oil	17.7	16.8	16.6	63.1	58.7	45.7
Cottonseed oil	30.5	43.4	22.5	145.8	145.1	127.2
Linseed oil	71.3	74.1	87.7	241.0	184.3	241.0
Olive oil, edible	---	---	---	---	.5	---
Peanut oil	6.3	8.7	8.9	10.4	22.3	25.8
Soybean oil	114.8	107.9	96.3	168.0	369.4	317.1
Tung oil	.3	.5	---	---	2.1	.8
Other vegetable oils	8.7	1.7	1.2	14.6	10.4	10.9
Total, vegetable	270.0	280.1	264.2	708.9	860.7	848.8
Grand total	810.1	865.7	840.4	2,118.1	2,329.0	2,523.8

Item	Indicated production from domestic materials Year beginning	1940-41	1941-42	1942-43	1943-44 1/
		Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Butter, including farm	Oct.	2,287	2,153	2,082	1,900
Lard and rendered pork fat, total	Oct.	2,285	2,440	2,860	3,550
Inedible tallow and greases, total	Oct.	1,492	1,733	1,626	1,950
Edible tallow, oleostearine, oleo stock, and oleo oil	Oct.	218	277	271	250
Neat's-foot oil	Oct.	4	5	3	3
Wool grease	Oct.	14	15	15	15
Marine animal oils	July	175	215	163	2/163
Corn oil	Oct.	186	242	240	210
Cottonseed oil	Aug.	1,425	1,250	1,400	2/1,236
Linseed oil 3/	July	494	546	729	2/724
Olive oil	Nov.	11	8	10	6
Peanut oil	Sept.	174	77	130	130
Soybean oil	Oct.	564	707	1,198	1,200
Tung oil	Dec.	4	2	5	3
Total		9,333	9,670	10,732	2/11,340

Compiled from reports of the Bureau of the Census and the Department of Agriculture. Monthly reports do not show total production of butter, lard, inedible tallow, and greases. 1/ Based on most recent indications, subject to change. 2/ Revised.
3/ Domestic production, calculated as total production minus oil equivalent of net imports of flaxseed.

Table 5.- Factory and warehouse stocks of specified fats and oils, crude basis, June 30, 1942-44, April 30, and May 31, 1944

Item	June 30: 1942	June 30: 1943	1944 Apr. 30	1944 May 31	1944 June 30
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
nimal fats and oils					
Butter 1/	117.1	157.5	69.3	69.7	103.2
Lard and rendered pork fat	114.4	228.1	604.0	654.6	684.6
Greases, excluding wool grease	96.9	78.8	131.9	150.8	165.2
Neat's-foot oil	2.8	2.3	3.4	3.5	2.6
Oleo oil	9.6	7.0	4.7	4.2	2.7
Stearine, animal, edible	6.0	3.6	4.1	3.7	2.8
Tallow, edible	11.6	17.1	21.6	27.9	26.1
Tallow, inedible	237.1	111.9	170.4	181.2	190.2
Wool grease	5.2	3.7	4.0	3.8	3.8
Cod and cod-liver oil	11.1	12.7	13.3	13.4	12.4
Other fish-liver oil	2/	1.8	1.8	2.1	2.4
Fish oil	97.5	87.5	95.5	87.6	85.5
Marine mammal oil	51.9	56.7	59.6	57.1	55.7
Total, animal	761.2	768.8	1,183.6	1,259.6	1,337.1
egetable oils, crude basis 3/					
Babassu oil	18.0	17.5	2.6	2.4	3.6
Castor oil 4/	34.7	39.8	61.3	61.3	56.6
Coconut oil	136.7	187.5	120.8	117.7	123.0
Corn oil	50.1	32.6	21.3	22.1	22.5
Cottonseed oil	446.9	301.1	471.5	423.3	357.5
Linseed oil	225.6	191.9	361.4	308.1	335.9
Oiticica oil	5/	6.4	5.3	4.6	4.2
Olive oil, edible	7.4	3.5	2.3	2.4	2.3
Olive oil, inedible and foots	13.1	8.6	4.3	4.1	3.8
Palm-kernel oil	1.3	1.2	---	---	---
Palm oil	109.7	77.4	69.1	62.7	61.5
Peanut oil	28.8	43.9	45.5	48.4	51.2
Perilla oil	3.0	1.1	.4	.4	.4
Rape oil	14.3	24.2	13.3	20.3	19.1
Sesame oil	.1	1.5	1.7	2.1	1.8
Soybean oil	159.7	211.6	288.4	291.3	279.1
Tung oil	32.4	32.0	26.3	27.0	26.5
Other vegetable oils	35.1	39.6	27.9	23.9	23.5
Total, vegetable	1,316.8	1,221.4	1,523.3	1,422.2	1,372.5
Grand total	2,078.0	1,990.2	2,706.9	2,681.8	2,709.6

ompiled from reports of the Bureau of the Census; except butter, War Food dministration. Totals computed from unrounded numbers. Includes stocks held by overnment.

/ Cold-storage stocks.

/ Not reported prior to July 31, 1942.

/ Crude plus refined converted to crude basis by dividing by the following factors: abassu, corn, cottonseed, palm-kernel, and palm oils 0.93; coconut, peanut, and oybean oils 0.94.

/ 1943 and 1944 includes stocks of dehydrated castor oil converted to crude basis y dividing by 0.88.

/ Included in "other vegetable oils."

Table 6.- Prices received by farmers and prices at terminal markets for specified oil-bearing materials, July 1942 and 1943, May-July 1944

Item	Unit	July		1944		
		1942	1943	May	June	July
		Dollars	Dollars	Dollars	Dollars	Dollars
Castor beans, Brazilian, f.o.b. Brazilian ports	Long ton	75.00	75.00	75.00	75.00	75.00
Cottonseed, United States average	Short ton	43.20	44.50	52.50	52.80	53.00
Flaxseed, No. 1, Minneapolis	Bushel	2.46	3.05	3.05	3.05	3.05
Flaxseed, United States average	"	2.28	2.83	2.85	2.85	2.85
Peanuts, No. 1 shelled Spanish, Southeastern shipping points	100 pounds	11.20	14.25	14.25	14.25	14.25
Peanuts United States average	"	5.59	7.15	7.74	7.84	7.75
Soybeans, No. 2 Yellow, Chicago	Bushel	1.74	---	---	1.92	1.95
Soybeans, United States average	"	1.62	1.70	1.93	1.93	1.91

Compiled from Oil Paint and Drug Reporter, Chicago Journal of Commerce, Daily Market Record (Minneapolis), and reports of the Bureau of Agricultural Economics.

Table 7.- Price per ton of specified oilseed meals, July 1942 and 1943, May-July 1944

Item 1/	July		1944		
	1942	1943	May	June	July
	Dollars	Dollars	Dollars	Dollars	Dollars
Copra meal, Los Angeles	49.50	51.50	51.50	51.50	2/50.00
Cottonseed meal, 41 percent protein, Memphis	35.40	38.50	48.50	48.50	48.50
Cottonseed meal, 41 percent protein, Chicago	41.30	46.75	54.45	54.45	54.45
Linseed meal, 34 percent protein, Minneapolis	35.40	43.50	45.50	45.50	45.50
Linseed meal, 32 percent protein, New York	33.75	45.00	45.00	45.00	45.00
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	36.31	38.00	53.00	53.00	53.00
Soybean meal, 41 percent protein, Chicago	41.80	40.40	51.90	51.90	51.90

Compiled from records of the War Food Administration.

1/ Bagged carlots.

2/ Beginning July 25, 1944, quoted in bulk.

Table 8.- Oleomargarine: Production, withdrawals for consumption, and materials used in manufacture, United States, June 1942 and 1943, April-June 1944

Item	June 1942	June 1943	1944 Apr.	1944 May	1944 June
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Production:					
Colored	4,740	13,234	9,428	14,408	14,481
Uncolored	22,403	22,822	35,328	30,051	25,708
Total 2/	27,143	36,056	44,755	44,459	40,189
Tax-paid withdrawals for United States consumption 3/	23,099	24,511	35,157	31,844	26,989
Materials used:					
Oleo oil	1,549	1,006	1,373	1,655	1,104
Oleostearine	191	193	312	297	271
Lard flakes	---	---	22	50	19
Lard, neutral	387	507	979	895	581
Lard stearine	---	12	---	---	---
Oleo stock	268	197	315	255	162
Tallow	15	23	16	---	---
Monosterarine	5	28	31	31	34
Total, animal	2,415	1,966	3,048	3,183	2,171
Cottonseed oil	10,352	9,736	15,497	13,728	11,482
Soybean oil	9,104	15,940	15,905	18,018	17,764
Peanut oil	68	713	635	246	257
Corn oil	196	1,065	1,498	1,037	764
Cottonseed stearine	---	5	---	---	15
Linseed oil	---	3	---	---	224
Soybean stearine	---	---	6	---	---
Soya flakes	---	4	13	5	10
Total domestic vegetable	19,720	27,466	33,554	33,034	30,516
Sunflower oil	66	---	---	---	---
Total, foreign vegetable	66	---	---	---	---
Total, fats and oils	22,201	29,432	36,602	36,217	32,687
Milk	4,807	5,960	7,695	7,421	6,839
Salt	884	1,181	1,430	1,472	1,243
Derivative of glycerin	51	67	71	65	53
Lecithin	17	29	40	37	33
Soda (benzoate of)	12	25	28	28	27
Vitamin concentrate	7	7	9	10	8
Color	3	6	5	8	9
Estearine	---	---	7	7	9
Miscellaneous	5	---	1	---	---
Total, other materials	5,786	7,275	9,286	9,048	8,221
Total, all materials	27,987	36,707	45,888	45,265	40,908

Compiled from Internal Revenue records and Internal Revenue Bulletin.

1/ Preliminary. 2/ Total of unrounded numbers. 3/ Excludes withdrawn free of tax for use in Federal institutions, and withdrawn for export.